Nicole Gaudiano, Burlington Free Press

A \$5.5 million federal grant and loan package to Waitsfield and Champlain Telecom will help connect its most rural and remote customers to high-speed fiber optic Internet access, members of Vermont's congressional delegation said Wednesday.

The Obama administration announced Wednesday that the company will receive a \$3.89 million grant and \$1.66 million loan to extend a fiber-to-the-home network to 1,385 residents of Addison, Chittenden and Washington counties.

The funding, part of a \$7 billion initiative to expand broadband services in the nation, comes from the \$787 billion economic stimulus package signed into law last year. Thirty-seven states will share \$1.8 billion in investments announced Wednesday.

"It is our goal to continue to evolve our network to bring next generation broadband service to our customers, and this will go a long way in helping us to accomplish this," said Gregg Haskin, president and CEO of Waitsfield and Champlain Valley Telecom.

The company serves customers in the Mad River Valley, southern Chittenden County — including Bolton, Charlotte, Hinesburg and Richmond — and northern Addison County. While all of the company's customers have access to high-speed Internet connections, the grant and loan will ensure that the most rural customers have access to an advanced fiber optic network the company is building within the next three years, according to a release from the delegation. The network will be capable of delivering faster Internet speeds than the existing telephone system.

"The Recovery Act is going to give people like those living in Lincoln Gap access to the same Internet speeds as people in America's most populated cities, creating economic and social opportunities available only to those living on the cutting edge of technology," said Sen. Patrick Leahy, D-Vt., who has long sought funding for broadband services.

Sen. Bernie Sanders, I-Vt., said many Vermonters are "extremely upset" that they don't have the high-speed Internet access they need to function in modern society. The funding helps business, schools, students and larger institutions, he said.

"Connecting those in the most rural parts of our state to high-speed Internet access has the potential to make every home a business, linking Vermont's entrepreneurs to the world," said Rep. Peter Welch, D-Vt.

Including Wednesday's award, Vermont has received more than \$171 million in broadband infrastructure and adoption funds from the stimulus package. Earlier this month, the Vermont Telephone Company of Springfield won a \$116 million grant and loan package to build a statewide wireless network and to enhance its southern Vermont territory with an advanced fiber optic network.

The funding announced Wednesday is designed to help states connect thousands of schools, libraries, hospitals, and health clinics to high-speed Internet service and build broadband networks to help first responders communicate during emergencies.

U.S. Secretary of Commerce Gary Locke said the goal is to put people back to work quickly — managing projects, laying fiber optic cable and building wireless transmission towers — and to lay the groundwork for economic growth in underserved areas. Thirty-six percent of Americans don't have access to high-speed Internet, he said.

"That is simply unacceptable, and dial-up does not cut it," Locke said during a conference call with reporters. "Expanding access to high-speed Internet is a 21st century version of Roosevelt's rural electrification program or Eisenhower's Interstate Highway System."